

Village of Tinley Park

News Release



CONTACT:

Brad Bettenhausen

Village Treasurer

(708) 444-5000 | bbettenhausen@tinleypark.org

DATE:

November 22, 2017

Village Board adopts property tax levy

At its regular Nov. 21 meeting, the Tinley Park Village Board adopted a property tax levy request for Tax Year 2017 in the amount of \$25,541,964, which is unchanged from last year and represents a zero percent increase over the previous year's total dollars. This is the fifth consecutive year the Village has held the tax levy unchanged.

The Village Board also approved tax levy abatements for the coming tax year, a practice that has been followed for the past 36 years. Officials said these abatements continue to save residents hundreds of dollars on an average property tax bill.

Most of the area communities that previously offered tax rebate programs have either reduced or eliminated their programs. However, Tinley Park's abatement program is continuing as designed.

"It makes more sense, fiscally speaking, to abate taxes than to tax and then issue a rebate after the fact," Tinley Park Mayor Jacob Vandenberg said. "Rebate programs may be popular, but they're also much harder to end once they've started because of political pressure taking priority over fiscal responsibility to taxpayers."

The Village's required 2017 levies to pay outstanding bonds and interest payments due in the upcoming calendar year (2018) are being reduced by nearly \$3 million, which directly translates into reduced property taxes. The total amounts abated represent 75% of the total debt service of the Village and Library combined.

"Another great advantage of our tax abatement program is that it doesn't bring with it the administrative costs you typically see with a rebate program," said Trustee Michael Mangin, Chairman of the Village's Finance Committee. "We don't have to pay staff to receive rebate requests, perform calculations and verifications, or process the tax refund checks."

Tax abatements
Page 2 of 2

Over the past 10 years, the annual average residential tax savings generated by abatements on homes with a market value between \$150,000 and \$350,000 is between \$164 and \$385. During this same period, homeowners have received and benefited from cumulative savings of between \$1,643 and \$3,846 on the Village portion of their tax bill because of the abatements, which have totaled more than \$47.5 million for the past 10 years.

If the Village didn't have alternate sources to pay the debt service on these bond issues, the tax levy would be nearly \$3 million higher than proposed and would add an estimated \$0.173 to the Village tax rate, and an estimated \$0.010 to the Library tax rate.

The total Village tax levy required to pay principal and interest on the bonds was reduced or eliminated by the amounts paid from other sources of money, helping to eliminate the need to place additional tax burden on the property tax. The amount included in the Village's tax levy has remained unchanged at \$350,000 annually since tax year 2003.

Tax Savings of Abatement for House Valued at:

Market Assessed	\$150,000 \$34,000	\$200,000 \$50,000	\$275,000 \$66,000	\$300,000 \$77,000	\$350,000 \$90,000
2008	47	69	90	105	123
2009	123	165	226	247	288
2010	123	164	225	246	286
2011	185	246	338	369	431
2012	185	246	338	369	431
2013	212	283	389	425	495
2014	206	275	378	413	482
2015	236	314	432	471	550
2016	232	309	425	463	541
2017	94	125	172	188	219
Total	\$1,643	\$2,196	\$3,013	\$3,296	\$3,846
Average	\$164	\$220	\$301	\$330	\$385